

TOKYO GAZETTE

A MONTHLY REPORT OF CURRENT POLICIES,
OFFICIAL STATEMENTS AND STATISTICS

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The material in the TOKYO GAZETTE is selected mainly from the *Weekly Report*, edited by the Bureau of Information. The accuracy and comprehensiveness of data presented in the *Report* are fully established. For the benefit of students of Japanese affairs, the TOKYO GAZETTE is endeavouring to maintain these qualities in the hope that its publication will eliminate unfortunate misunderstandings and thus contribute to world peace and international goodwill.

ON THE NATIONAL MOBILIZATION LAW

BOARD OF PLANNING

AT the 73rd session of the Imperial Diet the bill for the National Mobilization Law was introduced by the Government and was approved by the Diet without amendment. The Law authorizes the basic steps necessary to establish true unity of the entire nation for the performance of the high duty of defending the country in time of war.

Significance of National Mobilization

Full knowledge of the importance of general mobilization in time of war is the prerequisite for true understanding of the National Mobilization Law.

In view of the characteristics of a modern war, the State is required to have not only large military forces but also vast supplies of war materials to meet all emergencies. Supply of these materials should be promoted in time of peace; munitions industries must be mobilized so that the industrial activities of the nation may be systematically and swiftly shifted from a peace time to a wartime basis without loss of efficiency.

To meet the demand for war materials, it is imperative that various materials essential to the operation of defence industries should be supplied in adequate quantities. In this sense there exists little difference in importance between supplying direct war materials and supplying the so-called indirect war requirements such as raw materials, fuels, electric power, transportation and communications facilities and scientific knowledge.

Ensuring supply of these direct and indirect war needs only temporarily is far from sufficient. If general economic activities are dislocated to the extent that the minimum physiological and psychological requirements for existence as well as the necessities of life are not guaranteed, not only will the basic factors in supply of war materials be threatened, but also the whole nation will be demoralized, ultimately defeating the purpose of the war. This disastrous process was clearly shown in Germany's defeat in the World War. In view of the fact that modern warfare is waged on a large scale and over a long period of time, a nation at war must align all its productive systems in conformity with the objective of securing a vast supply of

war materials and of assuring general stability in the economic life of its people. Likewise is it essential to control financial operations, rationalize labour distribution and to effect national spiritual mobilization in order to realize the purposes of war. In short, modern warfare is a struggle not between armed forces alone, but between the full strength of nations in which all the available mental and material resources are directed to the single objective of victory. Such is the significance of national mobilization.

This significance is defined in Article 1 of the present Law as follows :

"National mobilization as termed in this Law means the control and operation of human and material resources in such a way as to enable the State to give full scope to the efficient use of its strength for the realization of the purposes of national defence in time of war, including the occasions of incidents or affairs which differ little from war in results. Naturally, the term 'Affair' used in the Law designates an external condition which may not be called a war as a matter of policy, but one which is virtually the same as war, as, for example, the present China Affair. The term does not apply to a natural calamity or to any internal disturbance."

Necessity for National Mobilization

No argument is required to prove the necessity of laws which provide the basis for preparations for and execution of general mobilization. The only important law Japan has had in this connection is the Munitions Industries Mobilization Law which was promulgated in 1918 during the World War. Foresight is readily observed in the enactment of such a law 20 years ago, but the legislation is not free from many defects when viewed from the standpoint of national mobilization today. Of the numerous defects of that law, the fundamental one is that the scope of its provisions is limited to the mobilization of the manufacturing industries, and that it has no provisions regarding the mobilization of industries other than those engaged in manufacturing. Furthermore, nothing is provided with respect to the mobilization of capital which has inseparable relations with all industries. The former law also needs a number of supplementary provisions regarding the basic elements of the general mobilization required in modern war, such as mobilization of the spiritual life of the nation, hygienic and other scientific matters and mobilization of knowledge, labour and other services on the part of the people.

Notwithstanding the fact that adequate consideration is given to the assurance of sufficiency in supply of war materials under the

Munitions Industries Mobilization Law, it is impossible to secure smooth functioning of general economic machinery and stability in the national livelihood, even when the provisions of the law are interpreted in their broadest sense and when their operation is expanded to the fullest possible extent. In other words, the purposes and nature of the law restrict the application of its provisions solely to matters connected with securing sufficiency in supply of armaments and munitions ; it is impossible to deal with those factors which require indirect measures to assure supply of war materials or measures for the maintenance of economic stability by applying this law.

It is because of this fact that even under the present emergency, which is not exactly a war, the Munitions Industries Mobilization Law was considered ineffective for the setting up of a wartime structure in all aspects of national life. In order to supplement this law, the Government adopted various extraordinary measures such as the Temporary Capital Adjustment Law, the Law Concerning Temporary Emergency Measures on Exports and Imports, the Temporary Shipping Control Law and others. These laws may be considered as providing indirect measures for assurance of sufficient supply of war materials, or for the adjustment of the operation of general economic and transportation activities in connection with the supply of war materials. These laws, in conjunction with the Munitions Industries Mobilization Law, are functioning for national mobilization to a certain extent.

Another consideration is the need for preparation to ensure smoothness in execution of general mobilization which depends to a great extent upon the spontaneous cooperation of the people. For these reasons, it has been imperative to enact the present Law in time of peace. It will tend to accelerate progress in preparatory measures for war on the one hand, and on the other it will enable the people to be well acquainted with the form and scope of the authority of the State which may be invoked when an emergency is faced. Thus the people will be able readily to perform their duties and responsibilities and to prepare mentally and materially for any situation that may arise. Here is one of the essential phases of national mobilization.

The future of the present Affair is beyond prediction, but whatever developments there may be, it is necessary for Japan to direct efforts to prepare for mobilization based on her valuable current experience with a view to coping not only with the present situation but also with future wars which call for the mobilization of the entire national strength. Hence, it is especially urgent at this moment to enact such a law.

Observing conditions in foreign countries it is to be noted that

those nations which had bitter experiences during the World War are steadily endeavouring to complete general mobilization laws in some form or other. Some of them have already promulgated their mobilization laws, while others are in a position to utilize the experience obtained from the operation of similar laws at the time of the War. In contrast to those countries, however, Japan has no experience in national mobilization, nor has she any law in point, except the Munitions Industries Mobilization Law which cannot be considered adequate. When thought is given to these circumstances, it is realized that this country keenly needs the National Mobilization Law.

Summary of the Law

This Law was drawn up after prolonged investigation and study of the systems and institutions set up in various countries during and after the World War, with merits adopted and faults eliminated in such a way as to be in consonance with the actual conditions prevailing in Japan. This investigation and study had been conducted since the organization of the Resources Bureau of the Cabinet 10 years ago. The Law is intended to remedy defects in the Munitions Industries Mobilization Law and to provide for the basic means of general mobilization. Naturally, the substance of the Munitions Industries Mobilization Law has been completely absorbed in the present Law.

A. WARTIME MEASURES

(a) *Labour and Other Services.*

Needless to state, in time of war military forces are mobilized first. Such mobilization would result in a shortage in supply of labour and other services within the country, while simultaneously greater supply of labour and other services would become necessary to meet sharply increased war demands. Thus it would be necessary to adopt such measures as to increase the supply of labour and other services on the one hand and to strengthen the control of the services on the other, so that demand and supply of services may be adjusted and distribution of them may be placed on a rational basis. The present Law, therefore, authorizes the Government to impose upon subjects of the Empire a national defence duty, which may be termed the general mobilization duty, and cause them to engage in various necessary businesses, in case the required services are unavailable by solicitation on a voluntary basis. The Law at the same time provides that the Government may take necessary measures regarding

employment or discharge of workers and also with respect to wages and other labour conditions, such, for example, as issuance of orders requiring an extension of working hours. Again, the Law authorizes the Government to take necessary measures for the prevention or settlement of labour disputes and for the restriction or prohibition of certain methods of labour controversies.

(b) *Materials*

While demand for materials increases suddenly in wartime to ensure sufficiency in supply of war materials, it is inevitable that there will be certain kinds of materials, supply of which will fail to keep pace with increasing demand. In the case of such commodities, it would be necessary to adopt most effective measures to acquire and utilize them. For this purpose, the present Law authorizes the Government to control production, consumption, use, movement, transfer, export and import of important goods, and also to use or expropriate them in case of necessity. Furthermore, with respect to imports and exports, the Government is authorized to restrict or prohibit importation of unnecessary or non-urgent goods, or to order exportation of goods with a view to attaining betterment in the international trade balance of the country.

(d) *Establishments and Institutions*

In order to enable the Government to place the operation of important establishments and institutions under State control or to operate them in time of war, the present Law authorizes the Government to control, use or expropriate important ones including land and buildings which are deemed necessary for general mobilization. It further provides that the Government may order private manufacturers to install new equipment or extend or improve the existing facilities for the expansion of the enterprises involved. On the other hand, the Government may restrict or prohibit installation of new equipment or extension of existing establishments and institutions in certain enterprises, as it is necessary to prevent the absorption of goods, labour and capital by non-urgent and unnecessary businesses.

(e) *Control of Enterprises*

It is hardly necessary to emphasize the necessity of controlled operation in various important industrial and business lines in wartime. In this connection, however, autonomous control on the

part of business men and industrialists should be expected in the first place. Thus, in order to adjust this autonomous control in harmony with national mobilization, it is provided that the Government may adopt necessary measures regarding conclusion of control agreements among business men and industrialists operating in the same line or in allied lines, or may make changes in such agreements. The Law also authorizes the Government to cause those who are in allied lines to organize associations and to have them conduct co-operative importation, purchases and sales of goods, so that business and industry may be thoroughly controlled.

(f) *Capital*

In order to adjust supply and demand of capital for equibalancing supply and demand of labour and materials, the principles of the provisions of Articles 2 and 4 of the existing Temporary Funds Adjustment Law have been expanded in the present National Mobilization Law, so that the Government may restrict or prohibit creation of new companies, as well as capital increase and debenture issues of existing companies, while it may adopt necessary measures regarding investments of funds by banks, trust companies and other financial institutions, with a view to assuring abundant supply of capital.

(g) *Commodity Prices*

To contribute to adequate supply of war materials and to achieve smooth operation of general economic machinery and to secure stability in the livelihood of the people in wartime, the Law authorizes the Government to restrict profiteering in commodity prices and freight charges, to restrain exorbitant advances in commodity prices and to take other necessary price control measures.

(h) *Newspapers and Other Publications*

In wartime, it may be necessary to restrict or prohibit publication of articles regarding not only military and diplomatic affairs but also financial, economic and other matters when deemed advisable. The Law authorizes the Government to take such steps as well as measures against violators of the restrictions or prohibitions in order to achieve perfect execution of general mobilization.

B. PEACE TIME MEASURES

Primarily, general mobilization is to be enforced in times of war, but some of the necessary provisions cannot serve their purposes

if applied abruptly in wartime. Again there are matters which require considerable preparation during times of peace in order to attain smooth and appropriate operation of general mobilization when war comes. The present Law, therefore, provides for the following regulations regarding these preparations :

(a) *National Registration*

For the purpose of enforcing the provisions regarding the expropriation of services of the people and with a view to accumulating basic data for the adjustment of supply and demand of labour and other services in wartime, it is extremely necessary to register the professions and technical ability of different classes of the people in advance. For this purpose, the present Law has provisions requiring the people to make necessary reports and authorizing the competent officials to make necessary investigations.

(b) *Training of Technicians*

A shortage is anticipated in the number of technicians, especially skilled workers, in wartime, and it is impossible to train them in a limited period. This Law, therefore, authorizes the Government to issue orders to schools and institutions regarding the training of technicians in peace time in order to meet wartime requirements. The Law also provides that the Government may order employers to make necessary arrangements for the re-education of their technicians and skilled workers.

(c) *Conservation of Materials*

With respect to those important goods, the supply of which is anticipated to be insufficient in wartime, the present Law authorizes the Government to issue orders requiring manufacturers and business men to hold reserve stocks of them in times of peace. It is, of course, necessary to adopt divergent measures to replenish the supplies of these goods. In spite of such measures, however, supply of some goods may be insufficient in time of war, and it is inevitable that consideration be given to reservation of these goods in advance. At present, the Government is authorized to cause private interests to reserve petroleum in accordance with the Petroleum Industry Law, and iron and steel under the Iron Industry Law. In the present Law, the principles of these existing laws are expanded.

(d) Formulation of Plans, Training and Exercises

It is necessary to formulate detailed and exhaustive plans for the enforcement of a widespread, complicated mobilization. The Government must therefore cause factory owners to set up concrete production increase plans for wartime at their factories and have them conduct training and exercises in the operation of such plans, in order to avoid any obstacles to the execution of the plans after a state of war exists. The Air Defence Law authorizes the Government to issue orders for air defence plans and air defence exercises.

(e) Scientific Research

In view of the importance, especially in wartime, of the mobilization of science in connection with the realization of national defence purposes, the present Law authorizes the Government to order managers of factories and plants and administrators of experimental and research institutions to conduct necessary experiments and research at their institutions.

(f) Subsidization of Enterprises

Production capacity within the country should be expanded before the time of war. The present Law, therefore, authorizes the Government to guarantee a certain rate of business profit or give subsidies to those persons who are engaged in the business of producing or repairing important materials, with a view to promoting their efficiency, and also to have them install necessary equipment for their plants.

(g) Compensation

It is quite conceivable that losses may be incurred by the people due to the enforcement of the National Mobilization Law. Such losses shall be indemnified by the Government. In order to assure fairness of such monetary compensation, the amounts shall be fixed after consideration is given by the National Mobilization Indemnity Commission, which shall consist of official and private representatives.

Conclusion

National general mobilization must be enforced primarily on the basis of spontaneous cooperation of each member of the nation in the spirit of loyalty and patriotism. The underlying principle of the present Law is solely to secure this cooperation from the nation ; all its provisions are to be invoked strictly within the necessary limits

of their respective cases.

This Law is indeed a legal measure of vital import to national defence, and when it is promulgated, the Government will be able to unify all the measures connected with general mobilization and to take prompt and appropriate steps to meet any emergency which may arise. The Law will also help the people to acquire thorough knowledge of the form and scope of the authority of the State which may be invoked in wartime, and naturally will contribute to the formation of a solid united front. It is firmly believed that the Law, as the basis of general mobilization, will be a powerful force in promoting cooperation between the Government and the people in fulfilling the duty of defending the State.

ADJUSTING RAILWAY RATES TO NATIONAL PURPOSES

DEPARTMENT OF RAILWAYS

DURING the sixty-six years since the opening of the Tokyo-Yokohama line in 1872, remarkable growth and achievements have been made by the Imperial Government Railways. Invested capital today amounts to 4,000,000,000 yen, half of which sum represents receipts from public loans; lines in operation extend 17,000 kilometres; passengers and freight carried annually amount to some 1,100,000,000 persons and 90,000,000 metric tons respectively. This enormous State enterprise augments national strength as well as contributes to the welfare of the people.

The Imperial Government Railways have always been operated from the point of view of national economy in conformity with their special character. The interests, not of certain sections, but of the entire nation have formed the basis of the governmental policy concerning rates and charges, in contrast to those enterprises operated solely for profit-seeking purposes.

Principles Underlying the Rate System

The major principle underlying the rate system of the Government Railways is that of diminishing charges for long distances. This principle is based upon the conception that short-distance passengers and freights which are charged comparatively smaller sums and which have, therefore, a comparatively larger capacity for bearing expenses should be made to share a part of the heavier burdens borne by long-distance passengers and freights; it can be applied fittingly to the system of railway rates in a country such as Japan whose main islands extend from northeast to southwest in a long and narrow shape. Thus, in Japan, with travel between the centre of the nation's political and economic life and all parts of the country encouraged, the forwarding to central markets of farm produce and other products from outlying districts is facilitated, and the geographical distribution of raw-material-producing and factory areas is adjusted.

Another principle adopted for determining rates in a rational way is the setting up of a grading system for freights by which different rates are applied according to different classes of goods. Such clas-

sification is made in consideration of all aspects of national economy, with a view to ensuring a market for cheap and mass-produced commodities such as raw materials, stone, gravel and ores, commodities representing the greater part of railway freights not only in the producing districts and their vicinities but all through the areas in which they are in demand. Consideration for lower freight rates for the necessities of life also constitutes an important factor in determining adequate and rational rates.

The question of charges for express service is also important, because the transportation by railway of commodities invariably entails expenses at both ends, forwarding and delivery. To adjust this phase of transport charges the Law Concerning the Small Transport Business (Express Business) and the Law Concerning the Japan Transport Company Limited have recently been enacted and promulgated.

The principle of equal treatment for all passengers and freights, excepting those having definite national purposes, is worthy of note. As the rates and conditions for transportation are previously fixed and publicly stated, there cannot be any inequitable or discriminating treatment against any persons or localities. Nor can any business considerations interfere with the transport of passengers and freights and the operation of any lines contrary to the stipulations of established laws and ordinances. For the sake of national economy and defence, unprofitable lines are sometimes constructed and operated along with profitable lines. Viewed as a whole, therefore, the profit from this Government enterprise tends to decrease and the expenses for construction and improvements have to be met not only by the net profit but also by public loans, the interest on which to be paid annually amounts approximately to 80,000,000 yen.

Contributing Toward National Policies

These general principles governing the business operation of the Imperial Government Railways naturally determine the ways in which the Department of Railways cooperates with and contributes toward the efficient execution of current national policies. The railway, being essentially a means of travel or the intermediary agency between producers and consumers, cannot be expected to work by itself for the execution of its own policies. The most appropriate function of the Government Railways in Japan, therefore, should be to facilitate the realization of national purposes by assisting various governmental institutions in carrying out their plans and policies. The practical measure which has actually been adopt-

ed by the Department along this line is to bear part of transportation expenses—in other words, to make discounts on charges for transport of passengers and freights having essential national purposes. The contribution thus made by the Department of Railways toward the execution of national policies represents, in terms of passenger and freight charges, the amount of 130,000,000 yen annually. The essential cases of such cooperation and contribution will here be explained in outline.

Cooperating in Defence Measures

It is requisite for the movements of armies, particularly in time of emergency, that their transport should be arranged speedily and smoothly to meet the demands of changing situations. It is also essential that expenses for transport should be rendered as small as possible, particularly when fields for military operations have been extended. For this purpose the Ordinance Concerning the Placing of Railway Services for Military Use has been put into operation, ensuring perfection in transportation of armies and munitions and fixing the rates at a discount of 80 per cent. When the officers and men as well as civilians in the services travel on public duties, they are allowed 40 to 50 per cent discount; munitions carried by individual soldiers or army units and munitions forwarded to them by express or freight services are allowed 5 per cent discount.

Those passengers and freights indirectly but vitally connected with defence purposes as well will be given similar special treatment. Accordingly, non-commissioned officers and soldiers in active service are allowed 50 per cent discount, while sick and wounded soldiers are either granted free passes or allowed 50 per cent discount according to their status with reference to the awards they have received or are receiving. Families of those killed in action are granted free passes when travelling to attend the grand festival of the Yasukuni Shrine, which is sacred to the memory of the war dead, and when travelling to local festivals they are allowed 50 per cent discount.

In connection with the present China Affair various emergency measures have been carried out facilitating travelling by the reservists called to the colours, of the Japanese residents evacuated from Chinese cities and the transport of ambulance squads dispatched by the Red Cross and like organizations. Packages sent to comfort soldiers and the rice sold by the Government at lower prices for the benefit of soldiers' families have also been given special treatment in terms of freight charges. Those travelling for the purpose of

escorting the ashes of the war dead and those welcoming and sending off returning and departing soldiers at the stations, though limited in number, have also been allowed either a discount or given free passes. All this evinces the earnestness and readiness on the part of the Department of Railways in doing its share toward consolidating the home front under the present emergency.

Spiritual Mobilization Measures

The vital bearing of mental and physical health upon the national destiny has long been established in the history of the human race, but it assumes new significance under the current emergency to which the Japanese nation is called upon to rise as one man. Hence the measures for national spiritual mobilization have been enthusiastically carried out with the full collaboration of the Government and people. Measures along the same line have long been adopted by the Government Railways, with special emphasis upon the promotion of both phases of national health, body and spirit. The Department has, however, readjusted its former measures, since the inauguration of the National Spiritual Mobilization Movement, to the purposes and ends of the movement.

The additional privileges granted to school children travelling in parties to worship at the Grand Shrine of Ise, which is the source of the highest inspiration to the Japanese mind, is one of many such measures. In this case one-fifth of the children in the party are given free passes besides the usual special rates to which the whole group is entitled. Passengers making pilgrimages to shrines and temples are allowed 20 per cent discount, and those attending conferences, conventions and other meetings along the line of spiritual mobilization receive discounts of from 20 to 40 per cent.

With regard to measures for improving national physique the Government Railways have adopted various measures of a positive and practical character. By giving special rates, mountaineering, sea-bathing, skiing, skating and hiking are encouraged and facilitated. Special rates at 20 to 70 per cent discount are offered to school children going to seashores and mountains for mental and physical training and improvement.

Measures designed to meet the needs of commuters by improving the train service and lowering the rates for season tickets have greatly contributed toward promoting the health of the urban population. According to the recently revised tariff, the highest rate of discount on the season tickets is 82 per cent of the full fare and on commutation tickets 40 per cent.

Educational and Cultural Measures

Japan is one of the few countries in the civilized world that is enthusiastically and energetically carrying out extensive programmes for diffusion of education and raising of the cultural standard. The Department of Railways is naturally cooperating in such programmes in every way possible within its own sphere of activities. The actual measures here are to facilitate by special rates the travelling for educational purposes of professors, teachers, students and pupils : for individuals a discount of 20 per cent and for parties a discount of 30 to 50 per cent is allowed.

Hauling at reduced rates of State text books for primary schools, newspapers and magazines is another measure worthy of mention. The rate of discount for newspapers and magazines by express service runs as high as 90 per cent of the full rate.

Economic and Financial Measures

Of measures for grappling with the present emergency from the point of view of national finance the most important are those for developing natural resources within the country, especially gold resources. For the promotion of production of gold, which constitutes in itself a standard wealth essential for settling international debits and credits and unaffected by fluctuations of purchasing power of other nations, the Government Railways have been transporting gold ore at reduced rates. Since the resumption of the gold embargo in December, 1931, rates have been further lowered not only for gold ore but also for gold-silver ore, allowing them 40 per cent reduction.

Cooperation in measures for promotion of industries and augmentation of productive power also constitute the Railways' important contribution toward the conservation of national strength. In pursuance of this policy, the Department has consistently been allowing special rates on the hauling of essential materials such as coal, ores, limestone, timber, stone, sand, gravel and raw cotton. A discount of 20 per cent on fares of officers of industrial exhibitions and expositions and of those attending conventions and conferences along the line of industrial promotion is also calculated for the same purpose.

Welfare Measures

With regard to cooperation in welfare measures, the basic structure of railway rates, as has already been made clear, is founded upon important considerations. The Government Railways have

also been active in various distinct ways. Special rates for both carload and less-than-carload consignments of fertilizers and 40 per cent discount (at the maximum) on commutation tickets for the benefit of agrarian and fishing populations are measures along the line of adjusting supply and demand of fertilizers and other necessities of those living on the land and of facilitating them to market their products. A discount of 50 per cent on passenger rates for those finding employment through public employment bureaus, that of 85.4 per cent (at the maximum) on season tickets for mine and factory workers are measures contributing toward the adjustment of supply and demand of labour. It is true, all these measures are working, to a considerable extent, for the improvement of welfare of the agrarian and working classes. More direct and far-reaching in effect upon the nation's livelihood, however, are measures for cooperating in adjusting prices of all daily necessities. At present rice, wheat, beans, potatoes, vegetables, fish, meats, eggs, sugar, salt, and other food-stuffs are treated as special class freight. Besides, for the benefit of the urban population, the transport of milk, fresh meat and fish, eggs, vegetables and fruits is facilitated by the arrangement of special food-stuff rates.

Cooperation in relief measures for sufferers from natural calamities has been carried out effectively by the Government Railways in the past. A reduction of 50 per cent on the carrying of comestibles and other materials necessary for rehabilitation, and free transport of articles sent for the relief of sufferers have been invariably allowed in such cases. Free transportation of refugees and relief squads has also been granted according to the kinds and extent of calamities.

A reduction of 50 per cent on passenger rates for those receiving aid and protection in orphanages, poor houses, asylums for the aged, reformatories and institutions for the after-care of discharged prisoners is allowed also from the point of view of social welfare.

Improving the Trade Balance

For the improvement of the balance of international trade, which constitutes one of Japan's vulnerable points, even in invisible exports, the Department of Railways is adopting various measures for promoting exports, including the invisible ones. A discount of 20 per cent on freight rates of certain essential commodities and between certain stations is one of those measures. Recently a considerable increase has been effected in the numbers of such com-

modities and stations. Special rates allowed on the transport between Japan and Korea or Japan and Manchuria of cotton yarn, cotton fabrics and other commodities transported in large volumes have constituted another measure. This latter measure has been revised and greatly improved, particularly in the case of less-than-carload freights, since the Manchurian Incident which was the beginning of new and closer commercial relations between Japan and the new State.

Activities along the line of tourist industry such as developing scenic resources and facilitating travels of overseas visitors by issuing special tickets in cooperation with tourist agencies and steamship companies, have contributed in no small measure to the increase in receipts from invisible exports. The Olympic Games to be held in Tokyo and Sapporo in 1940 will afford an unprecedented opportunity of demonstrating what the Imperial Government Railways can do for overseas visitors by letting them gain first-hand knowledge of the real, present-day Japan. The Department of Railways is prepared to offer special courtesies to the athletes and officers connected with the Games and similar facilities to the overseas visitors coming for the event which has national as well as international significance for the Japanese nation.

ASSISTING IN REHABILITATION AND RECONSTRUCTION IN CHINA

—The Work of the Japanese Soldiers of Peace—

PRESS SECTION, WAR DEPARTMENT

YOU may call it rehabilitation or reconstruction. Certainly either of these terms can be applied to the state of affairs prevailing in North and Central China today, in which a fresh start has been successfully made in the national life of the Chinese people. There is in this prevailing condition, however, something more than both these highly encouraging terms can express. It is in reality the birth of a new China blessed with the finest and richest heritage but liberated from all destructive forces of the past. For the emergence of this China 400,000,000 people of that great country have been waiting, without realizing its full significance.

It is a well-known fact that the Chinese people have long acquiesced in the oppressive rule of the Nationalist Government and have endured extortion and exploitation by war lords. With all the blessings of fertile land, their lives and existence have constantly been threatened. Once a civil war has broken out, fathers and brothers are taken for the armies, the products of their labour are relentlessly requisitioned and taxes are levied most exorbitantly; after the fighting, nothing remains but devastation over all the war areas. They have, in the past, experienced the hard lot of war refugees in seeking food and shelter in strange villages, towns and cities.

Enlightenment and Rehabilitation Corps

The beginnings and developments of the present hostilities are not under discussion here. What have the Chinese masses experienced after the sweeping victories of the Imperial forces on all fronts? They had doubtless waited for the visitation of tragedy as in the past, preparing for the worst in fatalistic resignation. What they received at the hands of the triumphant Japanese armies, however, was sympathy, kindness and relief—things totally different from what they had expected : medical care for the sick, food for the hungry, shelter for the homeless. Thus, under the protection of the Japanese armies peace and order have been restored and energetic

activities for reconstruction have been started amidst confusion and devastation. The fact that the Imperial Army is fighting not against the Chinese people but for their emancipation has been brought home to their minds.

To construct a moral order in East Asia so that all the nations and peoples in that part of the world may enjoy independence, peace and prosperity working together for the happiness and progress of the whole human family has been the ideal of the Japanese people. When viewed in the light of this ideal and its historical development, the present China Affair, regrettable as it is, has vital significance for the future of the Chinese people. The ultimate purpose of Japan's present actions on its neighbouring Continent, therefore, should not be considered merely as victory in armed conflict over Nationalist armies. The Chinese masses must be led to grasp the real significance of the Japanese action together with the ideal and spirit of the Japanese people, thereby stimulating their aspiration for the construction of a new, moral State in China as a basic factor in establishing an enduring peace in East Asia.

Activities for such enlightenment, however, should begin with those of meeting the immediate spiritual as well as material needs of the Chinese people. They are really hungry for sympathy, comfort and hope. Herein lies the field of activity for the Enlightenment and Rehabilitation Corps.

The functions of the corps are to enlighten the masses in the war areas concerning Japan's purposes, to persuade and help the refugees to return to their towns and villages, to extend relief to the suffering, and to assist the Chinese in establishing and maintaining peace and order in all localities. Furthermore, to assist in economic and cultural reconstruction is another important function of these soldiers of peace. In short, they are charged with the most important duty of saving the masses from the baneful influences of the Red rule under Nationalist-Communist collaboration and of promoting the realization of a new China.

Activities of the Soldiers of Peace

These soldiers of peace invariably follow the Imperial forces. Residents in the war areas where the Chinese troops stubbornly hold their lines are accustomed either to flee with the Chinese forces when they retreat or to seek refuge beforehand somewhere in the interior fearing that looting and other outrages will likely be committed by the retreating forces. Nothing but desolation, therefore, is to be found in towns and villages. The few human figures to be

seen are usually the aged or deformed or children who have lost their parents. Even these helpless people cannot be easily approached in order to extend help and relief, because they have been inculcated by the Communists with the false story that the Japanese soldiers will slaughter even women and children. The first step in the activities of the soldiers of peace is to disarm the fears of the masses and win their confidence. The next step is to try to restore peace and order.

The work of these soldiers of peace is by no means easy and safe. Only energetic and brave men with conviction and warm hearts are equal to the task. To help the refugees to return to their former homes and work, to assist the local leaders in organizing Peace Preservation Committees, to enlighten the masses on the significance of the present Affair by means of posters, handbills and speeches—these constitute their programme of activities during the first stage.

When these activities are successively carried out—rehabilitating the refugees mentally as well as physically—the next steps, activities for relief and reconstruction, begin. Camps for refugees are set up for the homeless ; food and food-stuffs are distributed among the hungry ; medical attention is administered to the sick, and even measures for preventing epidemics are carried out as occasion demands.

Establishment of employment bureaus and publication of local newspapers are found effective in securing rehabilitation. Such natural and humane acts as giving candy to and playing with children and taking special care of the aged have worked for the winning of the confidence of the Chinese masses. For this type of humanistic activities many Japanese and Chinese women workers are offering self-sacrificing services.

Assisting in economic rehabilitation and reconstruction is a measure not only essential for the material life of the people in the new China but also one having vital bearing upon their morale. Activities which come under the functions of the Enlightenment and Rehabilitation Corps, though limited in scope and temporary in nature, are the promotion of circulation of money and resumption of agricultural and commercial activities among rehabilitated villagers. The organization of harvesting groups has been founded to encourage the return of farmers to their fields. As they are supplied with Sun flags, the farmers can be distinguished from disguised bandits or remnants of Chinese troops. Protected thus against falling victim to bandit attacks and secure against Japanese fire, these returning farmers have gathered in their crops in many

places. For the products of these farms, the establishment of markets has necessarily been promoted.

Assisting in cultural reconstruction is another essential function of the soldiers of peace. Through their endeavours the Chinese leaders who have been disillusioned with the policy of anti-Japanism hitherto enforced and are awakened to the possibilities of Sino-Japanese collaboration have already commenced activities for constructing a new culture based not upon exaggerated, narrow nationalism and disastrous anti-Japanism but upon the ideal of the moral State and of a moral world order. This change in cultural principles has naturally given rise to a desire to know Japan and the Japanese language. Accordingly, not only in the Peking-Tientsin area but also in Tsinan and other cities enthusiasm for learning Japanese is running high. That four Japanese language schools with 3,000 students are being conducted in the city of Tsinan alone is certainly difficult to realize.

Thanks to the hard work of these soldiers of peace, the grateful hearts of the Chinese masses toward the Imperial Army have taken expression in various forms in many places. Recently the commander of a Japanese unit was presented a tablet bearing his eulogy by the residents of Tehsien, Shantung Province. The Chinese have generally cooperated with Japanese troops in repairing roads and bridges, recruiting coolies, getting supplies and facilitating encampments.

Assisting in organization of "villages for caring for and protecting roads" is another important function of the Enlightenment and Rehabilitation Corps. These villages are organized by the Chinese living along the principal railroad lines with a view to promoting interest in the movement for caring for and protecting roads, training leaders, and organizing and guiding junior and women's bands. Several of these villages have now been organized in districts under Japanese occupation; the members of the organization, or villagers, are required to serve daily in taking care of and protecting railroads, highways and lines of communication. Besides, they are expected to sound alarms in case of bandit raids. In recompense for these services they are accorded the right of priority in protection by the authorities in case of danger. The villagers are further compensated by the supply of their wants, food-stuffs and other necessities of life, seeds and young plants of superior quality. The establishment of village schools and other educational facilities are also offered to them.

Where these villages are organized, the villagers have gradually come to understand the true motives and intentions of the Japanese

assistance and to respect the members of the Corps. Instances have been reported in which villagers sheltered Japanese workers in their homes from the raids of bandits. Though unarmed, these soldiers of peace have always been safe, freely and friendly mingling with the masses. When they are called away to some other villages or towns, touching scenes of parting are frequently witnessed.

Organization of young men's, boys' and women's bands for the purpose of training and preparation for future leadership has been successfully carried out. The most advanced band is one of boys organized at Shihkiachwang with a membership of several hundred. These boys not only engage in menial work such as street sweeping but also assist in the work of enlightenment and rehabilitation. Their services in that town and in near-by villages have contributed materially toward realizing the ideal of Sino-Japanese collaboration.

A New China Emerging

Wherever the Japanese forces advance, Japan's soldiers of peace are busily occupied in the Yellow River basin, Shansi, Shensi and other provinces. Those at work, totally unarmed, as friends and advisers of the agrarian masses, particularly in districts behind the lines where remnants of defeated Chinese troops, bandits and Communists are rampant in disturbing peace and order, are really worthy of being called "soldiers of peace." Due, in a considerable degree, to their heroic and devoted activities, even in Shansi Province, the noted stronghold of Red China, the ideal of a moral order based upon Japanese-Manchoukuoan-Chinese collaboration has dawned. Thus a new China is emerging. Chinese youths who seek to master the Japanese language, Chinese children who are joyfully playing with Japanese soldiers, and Chinese labourers who are energetically working for construction of hope—these make up the picture of the new China, the real friendly neighbour of Japan.

Prior to the outbreak of the present Affair, school children of Tungkwang-hsien used to sing :

Stand up for our fatherland, sons of China !
 Wipe away our disgrace, compatriots !
 March forward, every one of you,
 To annihilate all Japanese ;
 To kill only one of them means little.

But such a hymn of hatred is to be heard no longer. Instead,

children are singing songs of joy and happiness, some of them in Japanese. Indeed, the present Affair, one of the greatest upheavals in modern China, regrettable as it is from the point of view of destruction of lives and property, has given the Chinese a new world and a new import to their national life. To assist them in making real the significance and principles of the new world which is in perfect consonance with the spirit upon which the Japanese Empire is founded is the basic task of the members of the Enlightenment and Rehabilitation Corps. Their task is momentous.

THE TREND OF POST OFFICE LIFE INSURANCE

—Maximum Amount of Policies is Raised to 700 Yen—

BOARD OF INSURANCE

THE number of life insurance contracts in force in Japan at the end of 1936 totalled 36,000,000, valued at 18,100,000,000 yen. Life insurance has become a household necessity; it is important that insurance facilities should be made easy of utilization by the masses. For this purpose both private and postal life insurance exist in Japan with the former patronized largely by the upper strata of society, the latter generally by people of small means. Private life insurance contracts outstanding at the end of 1936 numbered 10,000,000, valued at 14,500 million yen, while the number of postal contracts was 26,000,000 with a total value of 3,600 million yen.

The purpose of the post office life insurance system lies in offering insurance facilities on easy terms to persons who cannot afford to take out policies from private companies. When this system was inaugurated in 1916 the maximum amount of contracts was fixed at 250 yen. In line with subsequent social and economic changes, this limit was raised to 350 yen in 1922 and to 450 yen in 1926 at which level it has remained until the present. During this period the insurance business grew very rapidly: the number of contracts in force which was 260,000 at the end of the first year (1916) increased to 4,000,000 at the end of 1922 and to 10,000,000 by the end of 1926. Today 28,000,000 contracts are in force with a total value of 4,100 million yen, showing that approximately one-third of Japan's population is insured with post office life insurance.

It is possible that within a few years the value of contracts outstanding will exceed 5,000 million yen. For the year 1936-37, the number of new contracts rose as high as 597 million yen, a record high in the history of the system. Last year, given impetus by the national spiritual mobilization campaign and reflecting the practice of thrift and economy called for by the emergency, the insurance business recorded 626,000,000 new contracts during the nine months from April to December, easily surpassing the record created during the previous year.

Together with the growth of the post office life insurance business, payments of insurance money have steadily increased;

during the past year such payments aggregated 68 million yen. This comparatively large sum may be regarded as a stabilizing force in the national livelihood. Since the outbreak of the China Affair, special business regulations have been applied in handling insurance contracts for the convenience of soldiers ordered to the front or civilians otherwise called to national service. New contracts coming under this special handling during the 1937-38 fiscal year numbered 180,000 and the amount of insurance money paid out for those killed in action was approximately 25 million yen, showing the important part the postal life insurance system is playing in the present emergency.

Terms of Contracts

Terms for taking out post office life insurance contracts are greatly simplified. For example, no medical examination is required; premiums are made payable in monthly instalments which are regularly collected at the homes of the insured. The system is calculated to bring relief and security at the least possible cost. Logically, therefore, has postal insurance gained great favour with persons of limited means.

Now it must be conceded that the existing maximum amount of contracts, fixed at 450 yen, is too low to procure therewith any great ease and confidence in the mass of wage-earners and their families. There have been marked changes in social and economic conditions since this limit was established in 1926. Besides, statistical facts relating to the average amount of new postal insurance contracts in the last few years and to other contracts for over 400 yen indicate that the amount of individual contracts tends to rise to higher figures and that there are unmistakable signs of a growing demand for insurance with higher principals. In these circumstances, the raising of the maximum amount of postal contracts is quite opportune.

A cursory analysis of the business of private life insurance companies reveals that the majority of contracts are for amounts over 1,000 yen and that the number of such contracts is increasing, while contracts for amounts under 1,000 yen are tending to decline. In 1922, 66 per cent of new business was represented by contracts for over 1,000 yen; in 1926 this rose to 78 per cent, and in 1936 to 94 per cent, revealing a decline in new contracts for less than 1,000 yen to but 6 per cent of the total business. Thus there has developed a rather wide gap between the maximum amount of postal life insurance and the actual contract amount of private life insurance. In other words, persons who are unable to take out

policies with private life insurance companies for an amount over 1,000 yen must accept a postal contract for less than half that amount, namely 450 yen. If the popular demand for easy insurance facilities is to be met effectively, some means must be found of rendering narrower this difference between the two figures.

Maximum Limit is Increased

Persons who cannot really afford insurance contracts of more than 1,000 yen are very likely to face difficulties in the matter of premium payments. For them the post office life insurance with its monthly instalment and collection systems is highly practicable. To what extent, then, can the maximum amount of postal insurance properly be increased? After careful study of the probable effects upon the business of private life insurance companies, some of which still handle contracts for amounts under 1,000 yen, the new maximum amount has been fixed at 700 yen.

The raising of the maximum amount of insurance will naturally increase the capacity of the post office life insurance system for public service through the use of its funds, which will be increased materially as a result of this revision. At the end of the 1936-37 fiscal year the reserve fund of the system stood at 1,300 million yen which is expected to rise to about 1,440 million yen by the end of the 1937-38 period. The reserve fund is administered by the Government as the property of the insured persons and is employed in a safe and profitable way compatible with sound and successful business methods. Such requirements for security and profit naturally restrict lines of investment to government securities and first-class industrial issues. In view of the fact that the fund is made up of the petty savings of wage-earners for the most part, the loanable funds should be disbursed over different districts, as a rule in proportion to the contributions made, thus avoiding any concentration of funds in the cities. The post office insurance system is endeavouring at the same time to further the Government's loan policy and other financial and economic measures. For this purpose, the system takes up loans of the central and local governments and makes loans for industrial enterprises needful for the prosecution of the national policies. The adoption of a higher maximum amount of insurance, with the resulting increase in the reserve fund, will enable postal life insurance to be of greater social use.

The following figures show how the system's reserve fund is actually being employed, apart from common business requirements, as of September 30, 1937.

(In thousands of yen)

		Percentage
Loans to the insured	142,066	11
Loans to public bodies.....	277,266	21
Investments	814,896	63
Short-term investments	4,924	—
Deposits at Treasury Deposit Bureau	59,694	5
Total	1,298,848	100

The number of persons insured with post office life insurance for each 1000 of the population is now 356. This marvellous progress clearly indicates that the undertaking answers the popular demand for simple life insurance facilities.

THE SITUATION IN CHINA

I

—ADVANCE OF THE IMPERIAL ARMY—

PRESS SECTION, WAR DEPARTMENT

After dominating Shansi Province, Japanese military forces drove south to the northern bank of the Yellow River, where they have taken up positions for bombarding the Chinese military establishments along the Lung-Hai Railway, the last Chinese defence line.

A separate Japanese force, pushing south along the Tientsin-Pukow Railway with a view to effecting junction between the Japanese Armies in North and Central China, had, by March 19th, reached a point 40 kilometres north of Hsuchow, thus exposing it to direct menace from Japanese onslaughts.

The Tatung-Puchow Railway Front

The Japanese troops which had been driving south along the Tatung-Puchow Railway made preparations for a further southern push on March 1st. A Japanese cavalry force attacked Kuchengchen on that day, while the Japanese right column advanced on Siang-linghsien. The following day, the Japanese centre drove toward Chaokuchen with the vanguard attacking Mengchengchen while the main body of the Japanese forces was massed near Linfen. At 4 p.m., the same day, the Kanaoka detachment reduced Kuwo.

The Ishiguro detachment which reached Tsinshui, after advancing northwest from the northern bank of the Yellow River started operations in concert with the Japanese forces which drove south along the Tatung-Puchow Railway. This detachment advanced on Yicheng on March 4th and the following day reached Kuwo, which had been taken by the Kanaoka detachment on March 2nd.

The Morimoto unit swung to the western side of the Tatung-Puchow Railway and reached Howmachen on March 4th. The following day this detachment took Wensi. The vanguard of the unit immediately started a drive on Puchow.

The main body of the Japanese forces reached Niutuchen, 8 kilometres south of Itze on March 6th. The vanguard succeeded

in reducing Puchow, the southern terminus of the Tatung-Puchow Railway, by overcoming numerous obstacles in its long drive along the highway. The vanguard did not take a long rest at Puchow, but instead continued a southern push to the ferry-point on the northern bank of the Yellow River, opposite Tungkwan.

Thus the Kanaoka detachment, after repairing over one hundred points on the highway which had been destroyed by the retreating Chinese troops and overcoming various obstacles, succeeded in occupying Puchow, the key point in the southwestern extremity of Shansi Province. The following day this detachment took the ferry-point opposite Tungkwan. Japanese acquisitions at Puchow and at the latter point comprised about 100 locomotives and 400 goods waggons.

Taking up positions on the northern bank of the Yellow River, the Japanese artillery force made a three-day bombardment on Tungkwan, March 7th to March 9th, and destroyed the railway station, the engine-shed, rolling-stock and military establishments. Service on the Lung-Hai Railway was thus completely interrupted at Tungkwan.

The Toyama detachment, which had reached an area east of Wensi by advancing along the northern bank of the Yellow River and outflanking the Tatung-Puchow Railway with a view to cutting off the retreat of the enemy, sighted a large Chinese force retreating southward on March 3rd, on which it opened fire immediately. After routing the enemy, this detachment advanced on Wensi which it took on March 4th. The following day, the unit reached Anyi. On March 6th, it made a further advance and reduced Chiehhsien, from which it swung south and occupied Juicheng and Pinglu on March 8th. This detachment also bombarded the Chinese military establishments on the southern bank of the Yellow River. It destroyed a troop train and an armoured train at Hsiahsien Station on the Lung-Hai Railway on March 10th.

Meanwhile the Yasuda detachment had taken Wenhsien, southeast of Huaiching, to the west of the Peking-Hankow Railway. On March 9th, this detachment attacked Pingkao, about 10 kilometres east of Wenhsien, and wiped out about 1,000 Chinese soldiers. On March 3rd, the detachment bombarded Kunghsien on the southern bank of the Yellow River and destroyed the railway station and military establishments there in addition to about 150 small craft. On March 5th, the detachment shelled the railway station and troop concentrations near Fanshui, inflicting heavy losses on them.

On March 11th about 800 Chinese soldiers attacked Siwu on the Taokow-Chinghua (Poai) Railway, but the Japanese guards repulsed

the attackers who fled, leaving about 400 dead.

About 7 o'clock on the morning of March 13th, some 600 Chinese soldiers attempted to cross to the northern bank of the Yellow River from Tungkwan, but were repulsed by the Japanese patrols on the northern bank.

The Shantung Front

The Japanese forces which had been standing by along the Tientsin-Pukow Railway started a southern drive on Chinese troops in the border region between Shantung and Kiangsu Provinces, in concert with the Japanese troops which had resumed activities in Shansi Province and also along the Peking-Hankow Railway.

The Fukuei detachment at about 7 a.m., March 14th, launched an attack on some 600 Chinese soldiers at a height west of Siachangpu and drove them away by noon. Part of this detachment made a drive on the Chieh River which had been guarded by the Chinese first line forces, consisting of the 127th and 122nd divisions. In cooperation with the Akashiba detachment, this detachment succeeded in reducing Chiehho Station at 5:30 p.m., the same day. The two Japanese detachments massed near the Chiehho Railway Station at dawn, March 15th, and advanced on an area east of Tenghsien. Part of the Akashiba unit occupied Tenghsien on March 17th, while its main body advanced further south round Tenghsien and reduced Lincheng, 32 kilometres south of Tenghsien at 5 p.m., March 17th.

On the afternoon of March 19th, the Japanese forces started a general attack on Hanchuang, an important town at the southern extremity of Shantung Province and reduced it without much difficulty. The distance from Hanchuang to Hsuchow, the junction of the Tientsin-Pukow and the Lung-Hai Railways, is only 40 kilometres. The enemy massed a large force along the Grand Canal and streams south of it, while fresh Chinese troops were continuously sent to this sector from Hsuchow.

The Japanese detachment which had been pursuing the enemy eastward along the Lincheng-Tsaochuang Railway succeeded in reducing Yihsien at 6:30 p.m., March 19th.

With the successive losses of Lincheng and Hanchuang, the Chinese forces at Hsuchow became seriously endangered. The enemy which had established positions at Peihsien on the opposite shore of Lake Weishan west of Lincheng started a flanking movement on March 22nd and approached Hsiachen, by crossing the lake in an attempt to recapture Lincheng. This did not escape the attention of the Japanese forces. The Nakadaira air unit attacked the enemy on

March 22nd and 23rd, inflicting heavy losses, while the Japanese ground forces forestalled the enemy and occupied Hsiachen on the afternoon of March 23rd. The bulk of the enemy was wiped out in its attempt to land on the shore of the lake, though a small part managed to flee northwestward.

At midnight, March 25th, the Chinese 110th division counter-attacked Hanchuang, but was repulsed.

The Fukuei detachment which took Yihsien left for the south along the Tsaochuang-Taierhchuang Railway at 9 a.m., March 23rd. After crushing some 500 Chinese soldiers near Nikow, this detachment launched an attack on Taierhchuang at about noon, March 24th. The numerical strength of the enemy at Taierhchuang at first was about 6,000, but it was steadily reinforced by fresh troops sent from the south.

The enemy at Taierhchuang, the important border town, offered stubborn resistance. The Japanese forces, however, in cooperation with the Nakadaira air unit, cleared the area round Taierhchuang of Chinese troops and on March 27th occupied the northwestern salient of the town. On March 29th, the Japanese occupied one-half of the town. By the evening of March 31st, the Japanese reduced three-quarters of the town. After sustained, fierce fighting in cooperation with the air force, Japanese troops occupied the south gate of the border town on April 3rd. The Chinese 31st division under General Sun Lien-chung suffered about 3,000 casualties.

The Akashiba detachment started from Yihsien at 5 a.m., March 30th, for Taierhchuang. After dispersing the enemy northwest of Taierhchuang by 9:30 o'clock the same morning, this detachment, in conjunction with the Fukuei unit, reduced Taierhchuang. It pursued the retreating enemy along the Grand Canal. On March 31st, part of the detachment maintained pursuit of the enemy, but its main body swung northeast of Taierhchuang. On April 1st, the unit reached an area southeast of Nikow and occupied Kwanchuang, 10 kilometres north of Taierhchuang, at 8 a.m., the same day. The following day, the detachment drove south along the area east of Taierhchuang.

A Japanese detachment which had been sent by the Japanese forces operating along the Lincheng-Tsaochuang Railway to participate in the general attack on Ichow (Linyi) reached Kuolichu, about 8 kilometres north of Yihsien, at 6:30 p.m., March 24th. This detachment occupied Tuchuang, 8 kilometres northeast of Kuolichu at 9:30 a.m., March 28th, after routing the Chinese troops which had taken up positions near Kuolichu.

Now Ichow had been guarded by General Chang Tze-chung with a large force, but its fate was sealed with the fall of Taierhchuang. Before the Japanese forces launched a general attack on Taierhchuang, they had taken every measure for securing the reduction of Ichow. A survey of the operations against Ichow may be of general interest.

The Katano detachment which had been pushing south in eastern Shantung Province routed about 8,000 Chinese soldiers belonging to the 38th and 180th divisions under General Chang Tze-chung, after four days of fighting from March 14th to March 17th in an area south and southwest of Tangtaochen. The enemy left about 3,000 dead in the engagement. From the evening of March 21st, this detachment pursued the enemy in an area southeast of Ichow on the left bank of the I River.

On March 21st, the detachment crossed the I River in the face of the enemy. On March 23rd, it took Tushutao. The following day, it reduced Taoyuan. This force kept up its southern drive and took Sankwanmiao, 4 kilometres northeast of Ichow at 11:30 a.m., March 25th.

Stubborn resistance was put forth against the Japanese attack by a powerful Chinese force at Ichow under Generals Pang Ping-hsun and Chang Tze-chung. The Japanese besieging force, after reducing the enemy positions on the northern side of Ichow, refrained from engaging the enemy in a frontal clash keeping but part of its strength to deal with them, while the other part of the Japanese force made a sudden appearance at a point halfway between Ichow and Yihsien. This Japanese force attacked Siangcheng, a key point between Ichow and Taierhchuang and reduced it at dawn, March 31st. It pursued the retreating enemy in a southwestern direction and reached the southern side of Lanlingchen, 25 kilometres northeast of Taierhchuang, on the evening of March 31st. Following a fierce onslaught launched the next morning, the Japanese reduced Lanlingchen at 2:30 p.m., April 1st. Several thousand Chinese soldiers fled in disorder toward the southeast.

Clean-up Campaigns in Districts Southwest of Taiyuan, Shansi Province

The Japanese garrison force at Puhsien, 48 kilometres northwest of Linfen, defeated some 6,000 Chinese soldiers moving northward in an area south of Puhsien on March 9th. The enemy left about 600 dead, while the Japanese capture comprised 16 machine-guns, 600 rifles and about 15,000 rounds of ammunition.

The Koito, Kobayashi and Suzuki detachments converged in the mountainous region in southwestern Shansi Province from the north, south and east. The Kobayashi detachment occupied Siangning, one of the bases of operations for the remnants of the Chinese troops at noon, March 19th, while the Koito detachment took Hoshantang, 20 kilometres north of Chihsien at 10 o'clock the same morning and immediately started a drive on Chihsien.

At 4:30 a.m., March 20th, the Koito detachment reduced Chihsien, into which the Kobayashi detachment also entered at 2 o'clock the same afternoon.

The Koito detachment dealt a crushing blow to about 700 Chinese soldiers belonging to the 85th division at a point west of Puhsien on the afternoon of March 23rd.

The Suzuki detachment defeated about 1,000 communist troops near Wuchengchen on March 25th. This detachment followed up its victory by routing about 1,500 Chinese soldiers north of Taning. On March 30th, the detachment again defeated the Chinese 69th division which had established positions near Kuhsien, northwest of Puhsien.

The Japanese unit then advanced on Sihsien and on March 31st routed about 6,000 Chinese north of Sihsien. On April 1st, it kept up its northern drive in pursuit of the enemy.

The Japanese garrison force at Puhsien encountered, near Tsingkowchen west of Puhsien, about 2,000 Chinese soldiers which had been moving southward from Sihsien and dispersed them.

The Japanese force which had been standing by at Linfen left the place on March 3rd on an expedition against the Chinese troops which had taken up positions in mountainous regions. On the way to Luan on March 4th, this force encountered a large Chinese force near Chafang, 30 kilometres west of Fucheng, and dispersed it. The enemy left about 500 dead.

On March 6th, near Fuchengchen, this force again encountered about two divisions of Chinese troops which had been moving southward from the north and routed them after completely encircling them. The enemy left no less than 2,000 dead.

The Kawazu detachment which also started a southwestern drive from Linfen reached Fencheng on March 4th and Paishan on March 5th. The cavalry force of the detachment reached Hotsin on March 5th, after routing enemy forces on the way. This force further advanced and occupied Yumen at 8 p.m., March 5th, by defeating about 1,600 Chinese soldiers. The enemy which had taken up positions on the left bank of the Fen River retreated into the northern mountainous region.

Part of the Japanese force advanced north from Hotsin and repulsed the Chinese troops which staged a counter-attack north of Kuchen, 10 kilometres north of Hotsin. The enemy left about 500 dead.

The Kijima detachment which had been purging the region south of Paishan defeated about 1,000 Chinese south of Siajenchen at 1 a.m., March 11th. Again at 11:30 a.m., March 11th, this detachment defeated about 500 Chinese soldiers near Tungputsun and another 1,000 at a height north of Kuchan at 2 o'clock the same afternoon. The detachment then occupied the important town of Wanchuan. The enemy left about 800 dead in the three engagements, while the Japanese suffered few casualties.

In Northwestern Shansi Province

The Ozeki detachment, in cooperation with the main body of the Mongolian 5th cavalry division, occupied Pienkwan on the evening of March 2nd. The following morning they started a converging movement on Hoku, an important town at the northwestern extremity of Shansi Province, reducing it on March 6th. The enemy fled into Shensi Province, crossing the upper reaches of the Yellow River which forms the border between the two provinces. The enemy rallied at Machikow in Shensi Province 20 kilometres from Hoku, where it established a new base of operations. Early on the morning of March 10th, the Ishimaru and Ozeki detachments crossed the Yellow River into Shensi Province and secured the line between Siaochantsun and Tachantsun. In cooperation with the Kobayashi air unit, these two detachments continued their drive into Shensi Province and occupied the mountainous region between Hsuchia, Liangshu and Erchuan.

The Kunomura detachment which had pushed south from Santaoyen successfully stormed Chulutai on the afternoon of March 10th, while another Japanese detachment which took Pamienping on the afternoon of March 10th succeeded in reducing Machikow, the main enemy position, without meeting much resistance. The enemy made a full retreat in a southwestern direction toward Shenmu along the Great Wall.

Meanwhile, the Ichinomiya detachment which had been driving north from Kolan after defeating the main body of the enemy in northwestern Shansi Province encountered about 1,000 Chinese soldiers, comprising infantry and cavalry and communist units, at Santsingchen, about 20 kilometres southwest of Wuchai, on the evening of March 10th and defeated them after severe fighting. At

dawn the next morning, this detachment again engaged about 1,500 Chinese in a thick forest near by and repulsed them. The enemy left about 100 dead in the first engagement and another 100 dead in the second, while the Japanese sustained about 50 casualties.

The Senda detachment, which had reduced Paoteh in its campaign against the Chinese troops in northern Shansi Province, dealt a crushing blow to 1,000 Chinese soldiers which were retreating across the Yellow River west of Paoteh at dawn, March 2nd.

Part of this detachment also attacked Fuku in Shensi Province, while the main body drove 200 kilometres through a mountainous region to launch an onslaught against some 2,000 communist troops which had been infesting the Tungchai and Tachai districts southwest of Ningwu which is about 40 kilometres south of Shohsien. On the morning of March 12th, this detachment marched on Tungchai and inflicted a heavy blow on about 1,000 Communists armed with artillery. The enemy fled southward.

In Central Shansi Province

The Sasaki detachment which had been operating in central Shansi Province defeated about 4,000 Chinese soldiers south of Taiku on March 7th and 8th.

On March 19th, this detachment dealt heavy losses to some 2,000 Chinese soldiers in a mountainous region south of Taiku. Again on March 23rd, it defeated about 2,000 Chinese fighters consisting of Chinese regulars and Communists at a point 20 kilometres east of Taiku. On March 25th, the detachment again routed about 1,000 Chinese soldiers at a point about 15 kilometres east of Taiku. Another Japanese detachment dispersed, on March 9th, about 1,000 Chinese soldiers from an area southwest of Old Taiyuan.

The Japanese garrison force at Chungyang, 20 kilometres south of Lishih, had been surrounded by a large Chinese force since March 3rd, but succeeded in driving it away on March 7th.

The Matsui detachment, on March 21st, surprised about 2,000 Chinese soldiers belonging to the 19th Army which had been besieging Chungyang since March 16th and routed them.

In the Region Along the Northern Bank of the Yellow River

The Japanese garrison force at Wangyuchen, about 20 kilometres west of Tsuyuan, was counter-attacked by about 1,000 Chinese soldiers on March 21st, but succeeded in repulsing them the follow-

ing day. The enemy fighters belonged to the 132nd division and the 88th division.

The Japanese garrison force at Tsiyuan encountered Chinese troops near Miaowa, about 16 kilometres west of Tsiyuan on the afternoon of March 23rd and drove them away in the direction of the Yellow River.

The Japanese garrison force at Menghsien on March 22nd started operations against the 3,000 Chinese soldiers who had invaded an area west of Menghsien and defeated the enemy main body on the following day. The enemy comprised a mixture of Chinese regulars belonging to the 166th division and "Red Spear" bandits. The enemy left no less than 200 dead, while the Japanese casualties totalled about 20.

The Japanese garrison force at Wenhien early in the morning of March 23rd succeeded in defeating about 1,000 Chinese which had approached Wenhien. The enemy fled eastward.

The Ishiguro detachment on March 28th dispersed some 500 Chinese soldiers belonging to the 95th division, south of Tsiaotso. The enemy left about 100 dead.

The same day, about 400 Chinese soldiers launched a counter-attack on Tsiaotso, but were repulsed by the Japanese garrison. The enemy left about 50 dead while the Japanese suffered no casualties.

The Yano detachment at dawn, March 22nd, surprised the enemy west of Fengkiu and dispersed them. The enemy left about 100 dead while the Japanese capture included 45 rifles, 3 light machine-guns and large quantities of ammunition and provisions.

On March 28th, the Ono detachment attacked Taokowchen reducing it at 1:20 o'clock the same afternoon. The enemy which belonged to the 89th division left about 300 dead.

Another Japanese detachment attacked Sunhsien on March 28th and dealt a crushing blow to the Chinese troops there.

The Yano detachment on March 25th attacked Changyuan and almost completely wiped out the Chinese troops there.

The Kasai detachment defeated Chinese troops at a point about 28 kilometres south of Puyang on March 23rd. The Japanese suffered no casualties, but the enemy left about 120 dead and 300 wounded.

The Japanese force which had been conducting an expedition against the Chinese troops under General Liu Ju-ming which crossed to the northern bank of the Yellow River and were infesting the region east of the Peking-Hankow Railway succeeded in reducing Puyang on April 1st and gave chase to the retreating enemy. The

enemy left about 800 dead. This Japanese force destroyed some 100 river boats at a ferry-point on the northern bank of the Yellow River southeast of Puyang.

On the Northern Bank of the Yangtze

The Satoh detachment, in cooperation with a naval force, landed near Fushan on the northern bank of the Yangtze River on March 17th. This detachment was so successful in effecting a surprise landing that the enemy had no chance to offer stiff resistance. The Chinese fled in a northern and eastern direction. The Japanese operations progressed so smoothly and favourably that Tungchow (Nantung), an important town on the northern bank of the Yangtze River was completely occupied at 7:20 o'clock the same morning. The enemy left about 40 dead, while the Japanese captured trench-mortars, machine-guns, rifles and a large quantity of ammunition.

This detachment resumed the chase and occupied Pingchaochen the same afternoon. At about 9 o'clock the next morning, the unit took Paipuchen. It then succeeded in dislodging the Chinese troops which had entrenched themselves in positions extending over 6 kilometres at Tingyenchen. The next morning it started a drive on Jukao, which it captured at 1 p.m.

Part of the Satoh detachment occupied Kutangchen at 10 p.m., March 20th, and took Kiangyenchen on the morning of March 21st. The other part of the detachment advanced north by waterway and occupied Fuan at 1 p.m., March 21st, by routing some 400 Chinese soldiers armed with 4 heavy machine-guns. On the evening of March 25th, the detachment occupied Tungtai, about 35 kilometres northwest of Haianchen.

The Tanigawa detachment, in cooperation with a naval force, started landing on Tsungming Island off the mouth of the Yangtze River at 5:30 a.m., March 18th, and occupied Tsungming, capital of the island, without meeting any resistance at 10 o'clock the same morning. This island was soon completely occupied by the Japanese force. With the occupation of Tsungming Island and Tungchow (Nantung), the Japanese have succeeded in safeguarding navigation on the estuary of the Yangtze.

Clean-up Campaign in Central China

The Chinese military authorities have been resorting to costly counter-attacks or promoting loose guerilla warfare, actuated by the desire to divide the Japanese forces which are now driving north

on Hsuchow along the southern section of the Tientsin-Pukow Railway, or to distract their attention.

Recently the Chinese military authorities have resorted to another move, this time for disturbing the rear of the Japanese Army in Central China. Chinese troops, about two divisions strong, invaded the region between Wuhu and Hangchow, whereupon the Japanese forces from about March 15th started a converging movement against the invaders. The Japanese started an encircling movement on the Chinese from Huchow, Hangchow, Wuhu, Wushih and Kintan.

The Kawanami, Takamori, and Hoshi detachments on March 13th started to eliminate the Chinese invaders from the region west and east of Lake Changtang south of Kintan.

Simultaneously, the Ishii, Tagami and Takeda detachments began a clean-up campaign against the Chinese troops between Lakes Tai and Hur southwest of Wushih.

On March 12th, part of the Ishii detachment in cooperation with a naval force defeated the Chinese troops on Machishan Island, which was cleared of all Chinese troops the next day. On March 15th, the detachment gave chase to the enemy which had fled to Wufengshan and Situngtingshan.

The Ishii and Tagami detachments attacked the enemy near Hochiaochen, about 32 kilometres south of Changhow at noon, March 14th.

On the morning of March 16th, the Hasegawa detachment battered the enemy position at Sunchiapu in Anhwei Province about 12 kilometres south of Hsuancheng and reduced it at dawn, March 17th.

The Takahashi, Satoh and Nakajima detachments which advanced from the Hangchow district reached the line between Anchi and Hsiaofeng on March 19th. Pursuing the enemy, these detachments, on March 22nd, routed about 200 Chinese soldiers at Menkowntang and Yanghanchiao, some 15 kilometres northeast of Kwangteh.

The Shimogawa detachment which advanced from the southern district of Mokanshan reached Anchi on March 19th, by negotiating a difficult mountain pass. This unit then kept up its western drive.

The Kataoka, Kozaki and Asano detachments which advanced from Huchow pushed westward and reached Ssuan on March 19th. They crossed the border between Anhwei and Kiangsu Provinces in pursuit of the retreating enemy.

The Takamori and Kawanami detachments which had been operating in the region west of Lake Tai reached Liyang on March 19th, while the Tagami and Ishii detachments reached Ihsing the

same day. By March 23rd all these detachments reached the border of Kiangsu Province.

The Hasegawa and Takeshita detachments drove eastward from Ningkuo. On March 19th, their vanguard entered Kwangteh. These two detachments defeated about 1,000 Chinese soldiers in an area north of Shihtsiehtu, about 25 kilometres west of Kwangteh on March 21st, while part of the detachments crushed about 150 Chinese near Shuimingchiao.

The Ushijima detachment encountered some 7,000 Chinese soldiers near Kwangteh and practically annihilated them. The detachment captured about 10,000 rounds of ammunition.

On March 28th the Takahashi and Satoh detachments dispersed about 3,000 Chinese soldiers near Liutungchiao, about 20 kilometres northeast of Kwangteh.

Activities of the Japanese Military Air Forces

The Japanese Military Air Force in close cooperation with the ground forces not only contributed substantially to the Japanese successes along the Yellow River but secured command of the air in North China.

The Sonoda air unit at 2 p.m., February 28th, attacked and inflicted a heavy loss on Chinese troops retreating between Sinkiang and Paishan. At 11:30 o'clock the same morning, the unit dropped provisions for the Toyama detachment operating in a mountainous region.

On March 5th, the Torita air unit visited Chengchow, the junction of the Peking-Hankow and the Lung-Hai Railways, and Yuchow and bombed the airfields there. Early in the morning of March 8th, this unit raided Siangyang in northern Hunan Province and bombed the airfield there, destroying the hangar. In the ensuing air combat, the Japanese raiders engaged about 16 Chinese planes and shot down 4 of them. The Japanese planes all returned safely to their base.

On March 8th this unit raided Sian, capital of Shensi Province and bombed one large-sized and one small-sized plane on the ground. Ten Chinese planes took the air to challenge the Japanese raiders, who, however, succeeded in bringing down two of them. One Japanese machine-gunner was killed in the combat. The same day another Japanese unit visited Sian and shot down 4 Chinese challengers.

The Morimoto air unit visited Sian the same day and succeeded in shooting down 5 Chinese challengers and in destroying 5 planes on

the ground. This unit suffered no damages.

At 7:30 o'clock the same morning, this detachment visited Cheng-chow and effectively bombed the railway station there.

At noon, March 11th, the Yamase and Teranishi units raided Sian, bombing the airfield. In the air duel which ensued, the Japanese raiders brought down 5 Chinese planes. One medium-sized plane on the ground was bombed and burned, while another was damaged. The hangar and several buildings on the airfield were heavily damaged. All the Japanese raiders returned to their base in safety.

Another large-scale air raid was made on Sian by the Japanese Military Air Force at 12:30 p.m., March 14th, when the Nakakuni, Yamase, Teranishi and Suzuki units visited the capital of Sian Province and effectively bombed the airfield. Not a single Chinese plane challenged the Japanese raiders, nor was there a single Chinese machine to be seen on the ground.

At noon, March 18th, the Nakadaira unit, in cooperation with the ground forces which were attacking Tangtaochen and Tenghsien, attacked the Chinese troops at these two places and inflicted heavy losses on them. This unit visited Hsuchow twice the same day and bombed the railway station and troop trains there. At noon, March 19th, the unit visited Kweiteh, a key point on the Lung-Hai Railway and bombed military establishments. In cooperation with the Japanese ground forces, the unit attacked enemy positions and troop concentrations. On March 18th, the unit engaged three Chinese pursuit planes; Captain Ouchi was killed when eight bullets lodged in his body.

The combined force of the Teranishi and Nakadaira air units hopped off from their base early in the morning of March 25th and reached Kweiteh at 8 o'clock. Over 20 Chinese planes, including planes of Soviet manufacture of the E 15 and 16 types, heavy bombers of the S. B. type and some planes of British make had taken the air to challenge the Japanese. After fierce aerial combat, the Japanese raiders succeeded in bringing down 18 Chinese planes and burning a heavy bomber of the S. B. type on the ground. The hangar was also badly damaged.

The Nakazono unit on March 26th raided Hsuchow and effectively bombed the railway station there.

At noon, the same day, the Nakadaira unit visited Siangcheng and Taierchuang in southern Shantung Province, bombing Chinese military establishments and troop concentrations.

The Nakazono air unit at noon, March 28th, attacked the North Station at Hsuchow and destroyed several trains.

The Nakadaira unit cooperated with the ground forces operating

along the Tientsin-Pukow Railway. It also visited Hsuchow and bombed the military establishments there.

The Yamase unit visited Ichow (Linyi) in Shantung Province and attacked the southwestern extremity of the town.

Early in the morning of March 29th this unit raided Taierhchuang and effectively bombed Chinese military establishments. The bridge on the Grand Canal was also destroyed.

Japanese Air Units in Central China

Chinese aeroplanes from time to time are conducting raids over that part of Central China now under Japanese occupation, although they are easily driven back by the Japanese air force and anti-aircraft batteries.

At about 4 p.m., March 14th, Chinese heavy bombers of Soviet manufacture of the T. B. type raided Wuhu in formation, but were met by a Japanese air unit commanded by Lieutenant Yoshikawa. The Japanese challengers shot down one Chinese plane at a point 10 kilometres north of Wuhu. The enemy pilot escaped by parachute, but was taken prisoner by the Japanese ground force.

At 2:45 p.m., March 16th, six Chinese heavy bombers raided the airfield at Kienkiao, east of Hangchow. The Japanese air force pursued the Chinese raiders, of which two were brought down from a height of 3,500 metres over Tunglulanchi. Bombs dropped by the Chinese raiders hit Chinese villages and caused over a dozen casualties among the Chinese inhabitants.

II

—FORCES OF THE IMPERIAL NAVY IN ACTION—

PUBLICITY BUREAU, NAVY DEPARTMENT

PEACE and order is being restored along the lower reaches and estuary of the Yangtze River by the Japanese naval forces which have removed the booms and swept the mines laid by Chinese troops. They are also patrolling the river course most effectively.

In view, however, of the fact that remnants of Chinese troops still infested Tungchow (Nantung) on the northern bank of the Yangtze and also Tsungming Island off the mouth of the river, the Japanese authorities decided to suppress them. Japanese naval forces in cooperation with the military forces have recently succeeded in clearing Tungchow and also Tsungming Island of the remnants of Chinese troops.

A Japanese naval force under command of Rear-Admiral Sonoda early in the morning of March 17th escorted a large force of Japanese troops to a point near Tungchow (Nantung) on the northern bank of the Yangtze and effectively covered their landing which was done so suddenly and successfully that the enemy had no chance to offer any stiff resistance. Prior to the landing near Tungchow, the Japanese naval commander communicated with the authorities of third Powers in Shanghai to prevent danger to their vessels.

Landing of a Japanese military force on Tsungming Island was scheduled for the early morning of March 18th. The Japanese naval force sent a marine unit to the island, in addition to covering the landing of the military force on the island. The military and marine forces made a joint drive on Tsungming, capital of the island, which they reduced after defeating the Chinese troops outside the walled town. The occupation of the capital was effected during the morning, thus paving the way for the pacification of the entire island.

The Naval Air Forces in Japan

Japanese naval air forces have been active in all parts of China, bombing and destroying the Chinese military establishments at various important points. An outline of their activities from February 28th to April 5th follows.

February 28th South China: Locomotives south of Yuantan on the Canton-Hankow Railway were bombed and destroyed.

The airfield at Tienho, near Canton, was attacked with the result that the hangars and buildings on the field were destroyed. The Japanese raiders shot down one Chinese plane in the ensuing aerial combat. The airfield at Tsingfa was also visited. One hangar, several military barracks and one gasoline depot were bombed and burned.

Central China : The airfield at Siangyang was visited. Engaging over a dozen Chinese planes which had been flying in the vicinity, the Japanese Naval Air Force bombed and burned two blocks of buildings, one depot and one plane on the ground. The Japanese air force flew over the airfield at Ichang and bombed two planes on the ground as well as two hangars.

March 1st South China : The railway bridge south of Wongshek on the Canton-Hankow Railway was bombed and destroyed. The airfields at Tienho, Pokwan and Bocca Tigris were bombed.

March 2nd Along the Canton-Hankow Railway : Yinchanyao, Pakonghow, Sanhwatien and Laitung were visited by the Japanese Naval Air Force, which bombed and destroyed arsenals and other military establishments there.

Along the Canton-Samshui Railway : Sinanchen was raided and junks carrying munitions were attacked.

Japanese naval planes also visited Chungtang and Bocca Tigris bombing military motor-lorries there.

March 3rd Yinchanyao, on the Canton-Hankow Railway, was again attacked.

March 8th South China : The Japanese Naval Air Force raided Changchow and bombed the airfield there.

March 9th South China : Japanese naval planes devoted attention to the Canton-Hankow Railway and bombed military establishments north of Chuntien, south of Sanhwatien and at Yinchanyao.

March 10th South China : The highway near Kumha was attacked.

March 11th Changmutao and Changping on the Canton-Kowloon Railway were attacked.

March 13th South China : The highway near Lingsia, south of Kumha, was bombed.

North China : The new airfield at Nancheng in southwestern Shensi Province was attacked. Munition depots and other buildings were bombed by Japanese naval planes.

March 14th North China : Ichow (Linyi) in southern Shantung Province was raided by the Japanese Naval Air Force, which in cooperation with the ground forces attacked the military barracks there. Taierhchuang, a border town, was also raided and the

rolling-stock at the station there was bombed. Nancheng in southwestern Shensi Province was raided again. The new airfield was attacked and three gasoline depots were bombed and burned.

Central China : Nanchang was visited at nightfall. One hangar, one factory and three other buildings at the airport were bombed and burned. Hankow was raided at night and its airfield bombed with the result that fires broke out at four different spots on the field. Chuchow in western Chekiang Province was raided; the local airfield was attacked.

South China : Pitsun, Yangyao, Tangtao, Sintang and other places along the Canton-Kowloon Railway were visited and the military establishments attacked. The Japanese Naval Air Force also visited the North River and attacked Tatang, where it bombed and sank one Chinese transport.

March 15th North China : Ichow in southern Shantung Province was again raided. The Chinese troop concentrations, and military barracks near the west gate were attacked.

Central China : Nanchang was visited at night, when, defying Chinese anti-aircraft batteries and pursuit planes, the Japanese Naval Air Force made three raids on the local airfield. Several hangars in the first raid, hangars, factories and aeroplanes on the ground in the second, and factories in the third were bombed and burned. Chian also was visited, while the airfield at Lishui in Chekiang Province was bombed.

South China : Foochow was visited and the airfield there was bombed. Shakow and Yinchanyao on the Canton-Hankow Railway were raided and the military establishments including railway bridges were bombed. The Wongsha wireless station on the Canton-Kowloon Railway was attacked. The military Cadets' School and anti-aircraft batteries north of the Tienho airfield were bombed. On the same day, Pokwan was visited; the military buildings southwest of the airfield there as well as the anti-aircraft batteries north of the Tienho airfield were bombed. Meihsin was also raided.

March 16th North China : Laishan, south of Chefoo, and Mowping were visited by Japanese naval planes and several hundred bandits were attacked. Bandits were attacked at Fushaw also, while Ichow was raided as a result of which the north and west gates of the town were bombed.

Central China : The Japanese Naval Air Force raided Hankow at night. Defying Chinese anti-aircraft batteries and pursuit planes, the Japanese raiders effectively bombed the local airfield there. Nanchang was also visited during the same night. In spite of the Chinese anti-aircraft batteries and pursuit planes, the Japanese planes

bombed the airfield and destroyed one hangar and three large-sized planes in addition to three more which were burned.

South China: Chuntien, Lienkonghow and Hotow on the Canton-Hankow Railway were visited and railway bridges and rolling-stock were bombed. The wireless station near Wongsha was bombed. The airfield at Tsungfa was raided, where one gasoline depot and other buildings were bombed and burned. On the same day naval planes flew to Foochow where one hangar and five other buildings at the airfield were bombed. Shitow and other places were also raided and factories and bridges were bombed.

March 17th North China: Chuchen, about 10 kilometres southwest of Ichow, Tsangchow, about 14 kilometres west of Antungwei, and Fochu, about 9 kilometres west of Antungwei, were attacked and military establishments including ammunition depots were bombed and burned.

Central China: Nanchang was raided twice. The Japanese planes bombed and destroyed all buildings on the airfield except hangars in the first raid and bombed and burned two hangars and six planes on the ground in the second raid. One factory was also burned. Chian was visited and the airfield there was bombed with the result that three planes on the ground and three buildings were destroyed. Anching too was raided and two depots at the airfield were bombed.

South China: The Japanese Naval Air Force bombed and destroyed the aeroplane factory at Shiuchow. Hotow, a point on the Canton-Hankow Railway, was raided and the military establishments there were attacked. Changchow was also visited and its airfield attacked.

March 18th Central China: Chuchow was raided by Japanese naval planes which bombed the airfield there.

South China: Pakonghow, Yinchanyao, Wongshek, Laitung, Sinkai, Hotow, Shakow and Yingtak on the Canton-Hankow Railway were visited and the military establishments there, including military arsenals and railway tracks, were bombed. Sheksha and Paishih on the Canton-Kowloon Railway were attacked. Tsungfa was raided and the bridges east of it bombed.

March 19th The Japanese Naval Air Force cooperated in general attacks with the ground forces in North and Central China. In South China, Changmutao on the Canton-Kowloon Railway and Kaipien on the Canton-Samshui Railway were attacked. Several key points on the Canton-Hankow Railway were also visited.

March 27th Central China: Hankow and Wuchang were raided. The Japanese Naval Air Force bombed and destroyed three planes

at the Hankow airfield and two large-sized planes at the Wuchang airfield. Other military establishments were also bombed.

Anching was visited and the airfield there was attacked. One Chinese gunboat and one freighter were bombed and sunk.

South China : Various key points on the Canton-Hankow Railway were attacked.

March 28th Japanese naval planes bombed the airfield at Nanyung in South China as well as several points on the Canton-Hankow Railway.

March 29th Various important points along the Canton-Hankow Railway were attacked.

March 30th South China : Shakow, Laitung and other points on the Canton-Hankow Railway were visited and military establishments including railway tracks were bombed. Bocca Tigris also was visited and the military barracks there were attacked. A naval aerial expedition was extended to Changchow where a large factory was bombed.

March 31st The Japanese Naval Air Force continued its attacks on Laitung, Wongshek, Shakow and other points on the Canton-Hankow Railway, bombing railway tracks and bridges. In addition, the Japanese planes attacked a military arsenal at Pakonghow and a large factory at Suntso.

April 1st North China : While cooperating with the ground forces operating in southern Shantung Province, the Japanese Naval Air Force visited Lungchuanchang and attacked a large bandit concentration.

Central China : Chian was visited and the airfield was attacked.

South China : Foochow was visited by naval planes which attacked the airfield there. Various important points on the Sunning, the Canton-Samshui, and the Canton-Hankow Railways were also bombed. The North River was likewise visited by the Japanese Naval Air Force which also attacked military goods trains north of Wongsha on the Canton-Hankow Railway.

April 3rd South China : The wireless station at Chungshan, the airfield at Shiuchow, the airfield at Foochow and military establishments at Bocca Tigris and Kucheng were bombed by the Japanese Naval Air Force.

April 4th North China : Japanese naval planes raided Tungan-nying, Towang and Paikuo where military establishments and troop concentrations were bombed.

Central China : Kushih was raided and the local airfield was attacked with the result that three Chinese planes on the ground were bombed and destroyed while another was damaged. Chuma-

tien was also visited and the airfield attacked. Over a dozen aeroplanes on the ground were damaged.

South China: Laitung and Hwangmen on the Canton-Hankow Railway were visited and railway tracks and rolling stock were attacked. Tangtow and Siahu on the Canton-Kowloon Railway were raided; the military establishments at those railway stations were bombed. Lishui was raided with the result that three hangars at the airfield were destroyed.

LAWS AND ORDINANCES RECENTLY PROMULGATED

PRIME MINISTER'S CABINET

Law Amending the Trade Mark Law

(Law No. 4 of March 8, 1938)

The present amendment was occasioned by the revision of the Convention concerning the federation for the protection of industrial ownership rights as effected at London in June, 1934. The new Law provides for the establishment of the industrial ownership rights system and for the prevention of unlawful competition. The effective date of the Law is to be fixed by Imperial Ordinance.

Law Amending the Law Concerning the Central Chest for Cooperative Societies

(Law No. 14 of March 18, 1938)

In view of the existing methods of financing the fishing industry, the present amendment provides for participation on the part of the Federation of Fishery Associations and the Union of Fishing Industries in the Central Chest for Cooperative Societies. In keeping with this arrangement the capital of the said Chest will be increased by 5,000,000 yen, one-half of which amount will be contributed by the Government. The number of councillors of the Chest will also be increased. The new Law provides that should dividends awarded to contributors other than the Government fall below the stated rate, a limit shall be imposed on the dividend to be paid on the Government contribution. The effective date of this Law is to be fixed by Imperial Ordinance with each provision considered separately.

Law Amending the Law Concerning Mutual Assistance in Respect of Requests by Foreign Courts of Law

(Law No. 17 of March 22, 1938)

When, in a treaty or in a similar agreement, there exist provisions concerning cooperation on juridical matters different from those of the original law, the present Law makes it lawful to follow these provisions.

Amendment to the Civil Code

(Law No. 18 of March 22, 1938)

This Amendment provides that registration of the establishment of a legal person must be made within two weeks from the date of establishment in case the registration is made at the location of the principal place of business, and within three weeks in case registration is made at any location other than the place of business. Likewise, the periods during which registrations may be made of the opening or removal to another place of branch offices or of any similar changes are defined by the Law.

Where the name or address of the party to a civil suit is not known, any person is entitled to make expression of his intention to bring suit by means of a public announcement. The present Law prescribes the methods of making such announcements and other matters related thereto. In respect to final judicial decisions, the Law provides that the period of limitation of ten years will apply even when it is otherwise fixed for a period shorter than ten years. The effective date of this Law is to be fixed by Imperial Ordinance.

Organization of the Planning Council

(Imperial Ordinance No. 85 of February 19, 1938)

Upon the creation of the Board of Planning, both the Resources Investigation Council and the Central Economic Council were abolished and in their place has been set up the Planning Council which is placed under the supervision of the Prime Minister. The function of the Council is to investigate and give counsel, when referred to by the Prime Minister, on important matters relating to the development and employment of national resources in all their aspects, both in peace and in time of war. The Prime Minister and President of the Board of Planning are, respectively, President and Vice-President of the Council. There is a stated number of standing members while additional members may temporarily be appointed when deemed necessary for conducting investigation on specific problems.

**Supplementary Articles Revising the Parcel Post Agreement Between
the Department of Communications of the Japanese Empire
and the Post Office Department of Hongkong**

(Treaty No. 1 of February 26, 1938)

The maximum weight limit for parcels exchanged between Japan and Hongkong, which has hitherto been fixed at 5 kg. or 11 lbs. has been raised to 10 kg., or 22 lbs. by the present revision. This alteration is accompanied by a revision of postage rates. This agreement came into effect on March 1, 1938.